

**CALENDAR ITEM  
C103**

A 70  
S 28, 33

10/14/14  
G 05-03  
R. Boggiano

**REVIEW THE PROPOSED EXPENDITURE OF TIDELAND OIL REVENUES, IN AN AMOUNT NOT TO EXCEED \$2,550,729, BY THE CITY OF LONG BEACH FOR A CAPITAL IMPROVEMENT PROJECT LOCATED WITHIN LEGISLATIVELY-GRANTED SOVEREIGN LAND IN THE CITY OF LONG BEACH, LOS ANGELES COUNTY**

**TRUSTEE:**

City of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802

The City of Long Beach (City) is trustee of sovereign tide and submerged lands granted by the Legislature pursuant to Chapter 676, Statutes of 1911 and as amended, oil and gas reserved; Chapter 102, Statutes of 1925 and as amended, oil and gas reserved; and Chapter 158, Statutes of 1935 and as amended.

**BACKGROUND:**

Pursuant to Section 6(h) of Chapter 138, Statutes of 1964 as amended by Chapter 941, Statutes of 1991 (Chapter 138), the City submitted a description to California State Lands Commission (Commission) staff on September 16, 2014, of a proposed tideland oil revenue expenditure for review of consistency with Chapter 138.

The project will provide a new three-mile beach pedestrian walking path and security lighting. The new walking path will be ADA-compliant and help reduce conflicts between walkers, runners, and bicyclists. On June 27, 2011, the Commission approved \$5,000,000 for the project. The City has revised the total project cost for the project and, as required, is providing formal notification that the project budget has increased to \$7,550,729. The total additional cost for the proposed project for which tideland oil revenue would be expended is \$2,550,729.

A total of \$74,498,210, including tideland oil revenue, is reported by the City to be currently available in the City's Tidelands Fund. This includes oil revenues derived from oil operations within the Harbor. Formerly, the Port used these oil revenues for port

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purposes. However, a 2010 Charter Amendment allowed these funds to be transferred to the City for public trust purposes.

**STAFF ANALYSIS:**

Section 6(c) of Chapter 138, as amended, authorizes the expenditure of tideland revenues for the construction, repair, operation, and maintenance of bulkheads, piers, earthfills, streets, roadways, bridges, bridge approaches, buildings, structures, recreational facilities, landscaping, parking lots, and other improvements on or adjacent to the Long Beach tidelands or on or adjacent to the Alamitos Beach Park Lands. Section 6(d) of Chapter 138, as amended, allows tideland revenue to be expended on construction, repair, operation, and maintenance of small boat harbors, marine stadiums, a maritime museum, marine parks, beaches, waterways, and related facilities on or adjacent to the Long Beach tidelands or on, or adjacent to, the Alamitos Beach Park Lands. Based on the information provided by the City, the proposed capital improvement project does not appear to be inconsistent with the uses set forth in Sections 6(c) and (d) of Chapter 138.

**OTHER PERTINENT INFORMATION:**

1. Pursuant to Chapter 138, the Commission has 60 days to notify the City that the capital improvement project is not authorized by the applicable subdivisions of Chapter 138. Commission staff received notice from the City of the proposed expenditure on September 16, 2014.
2. Pursuant to the City's statutory trust grant, the City shall maintain separate tidelands accounts identified as the Harbor Fund, Tidelands Fund, and Tidelands Oil Revenue Fund. The proposed capital improvement project will be funded by tideland oil revenue from the Tidelands Fund, pursuant to Chapter 138, Statutes of 1964, and as amended.
3. In December 2012, the City notified the Commission of its proposed expenditure of \$12,225,000 of tideland oil revenue for eight capital improvement projects (Calendar Item C54, December 5, 2012).
4. In April 2013, the City notified the Commission of its proposed expenditure of \$10,500,000 of tideland oil revenue for eight capital improvement projects (Calendar Item C102, April 26, 2013).

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5. In October 2013, the City notified the Commission of its proposed expenditure of \$18,120,000 of tideland oil revenue for 11 capital improvement projects (Calendar Item C115, December 2, 2013).
6. In April 2014, the City notified the Commission of its proposed expenditure of \$109,780,000 of tideland oil revenue for 13 capital improvement projects (Calendar Item C77, April 23, 2014).
7. In May 2014, the City notified the Commission of its proposed expenditure of \$18,890,199 of tideland oil revenue for seven capital improvement projects (Calendar Item C89, June 19, 2014).
8. In July 2014, the City notified the Commission of its proposed expenditure of \$250,000 of tideland oil revenue for one capital improvement projects (Calendar Item C72, August 15, 2014).
9. The staff recommends that the Commission find that the subject consistency determination of proposed expenditure of tideland oil revenues does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with CEQA.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

10. This activity involves lands statutorily exempted from Public Resources Code section 6370 et seq., pursuant to Public Resources Code section 6377.

**EXHIBIT:**

- A. Location and Site Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the subject consistency determination of proposed expenditure of tideland oil revenues is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined

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by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

**AUTHORIZATION:**

Find that, based on the information provided by the City, the proposed expenditure of tideland oil revenue in the amount of \$2,550,729 for one capital improvement project within the City of Long Beach, does not appear to be inconsistent with the uses set forth in sections 6(c) and (d) of Chapter 138, Statutes of 1964, as amended by Chapter 941, Statutes of 1991.

NO SCALE

# SITE



NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

## Exhibit A

CITY OF LONG BEACH  
 G 05-03.10  
 EXPENDITURE OF  
 TIDELAND OIL REVENUE  
 LOS ANGELES COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.